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December 5, 2002

Mr. Thomas C. Dorr Under Secretary Rural Development Office of the Secretary United States Department Of Agriculture Washington, D.C. 20250

Dear Mr. Dorr: Re: Expanding Rural Renewable Energy Systems

Alliant Energy is pleased to provide the following written recommendations for implementation of Section 9006 of the Farm Security and Rural Investment Act of 2002 as a response to your public meeting on this subject held on December 3, 2002. Alliant Energy is a progressive utility holding and energy services company serving over 53,000 farm accounts in Iowa, Wisconsin, Minnesota and Illinois with headquarters in Madison, WI.

Environmental stewardship is a core value for Alliant Energy. Our company has been very active in supporting the development and deployment of renewable energy technologies. Alliant has 320 MW of wind generating capacity under contract, operates a refuse gasification facility supporting a 6 MW generator, co-fires renewable fuels such as oat hulls and switchgrass in utility generating facilities, recovers gas from landfills and assists customers in development of farm and industrial digester systems.

There are many aspects of this bill that warrant careful consideration. We would like to point out the following two areas which we feel are departures from past energy programs and are necessary to realize the magnitude of impact President Bush is seeking to achieve.

- 1. Expansion of Open Loop renewable energy systems to include all forms of animal manure. Previous programs have limited open loop animal manure energy systems to poultry waste. Significant environmental pressures are being placed on alternative management of swine and cattle manure, they represent a significant source of renewable fuels. Financial support of technology development to further this biomass to energy potential needs to be a part of Section 9006 implementation.
- 2. Expansion of "Renewable Energy Systems" to include any technology that displaces reliance on fossil fuels. Past renewable energy programs have limited support to those systems producing electricity. Significant amounts of fossil fuels are consumed for the production of heat energy for on-farm and agricultural product processing. Utilization of renewable fuels to displace fossil fuels for the production of any energy form should qualify for financial support provided by this renewable energy program and not be limited to those installations resulting in electric generation. We hope that existing production incentive programs will also be expanded to include heat energy production facilities.

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Alliant Energy applauds the efforts of the Bush Administration and Congress to further renewable energy development in the United States under the 2002 Farm Bill. We also applaud the efforts of the Rural Business-Cooperative Services in soliciting input on implementation of this bill. Working together we can help our customers realize the full potential of the renewable capabilities in the agricultural community.

If we can be of further assistance, please feel free to contact myself at (608) 458-5747, or either of the two contacts below:

William A. Johnson Manager, Agricultural Customer Services 2777 Columbia Dr. Portage, WI 53901 (608) 742-0824

Tom Lenaghan Manager, Biomass Energy Development 284 XE Place Boone, IA 50036 (515) 268-3411

We look forward to the future success of this program focused on renewable energy, and offer our assistance with its development. I appreciate your consideration of this input to the program implementation.

Sincerely,

Kim K. Zuhlke

Vice President - Engineering

Sales and Marketing

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Bill Johnson cc: Tom Lenaghan